



Ninety-Eighth Legislature - First Session - 2003
Committee Statement
LB 212

Hearing Date: February 11, 2003

Committee On: Agriculture

Introducer(s): (Kremer, Baker, Burling, Cunningham, Schrock, Smith)

Title: Change and eliminate provisions relating to testing, review, and sale of current tractor models

Roll Call Vote – Final Committee Action:

- X Advanced to General File
 - Advanced to General File with Amendments
 - Indefinitely Postponed
-

Vote Results:

6	Yes	Senators Kremer, Erdman, Burling, Cunningham, Mossey, Vrtiska
0	No	
1	Present, not voting	Senator Preister
1	Absent	Senator Chambers

Proponents:

Senator Bob Kremer
Russell Stigge
Dave Hardies
Steve Kayton
Neal Neidig
Andrew Goodman

Representing:

Introducer
IA/NE Equipment Dealers Assn
Omaha Tractor
IA/NE Equipment Dealers Assn
NE Farm Bureau
IA/NE Equipment Dealers Assn

Opponents:

Doris Ourecky
Andrew Wellensiek
Dennis Meridith
John Hansen

Representing:

Women Involved in Farm Economics
self
self
NE Farmers Union
NE Grange
Supporters of NE Tractor Testing Lab

Ned Meier

Neutral:

Glenn Hoffman
Kevin Tacke
Eric Scott
Leonard Bashford

Representing:

University of NE
University of NE – student
University of NE – student
University of NE – Tractor Test Lab

Summary of purpose and/or changes:

Section 9 of LB 212 outright repeals 2-2701 which prohibits the sale or disposition of any current tractor model without first obtaining a permit from the Department of Agriculture. The permit is conditional upon the manufacturer submitting a unit for testing at the University of Nebraska Tractor Test Station or submitting a report of testing performed at any other Organization for Economic Cooperation & Development (OECD) test station. Current law makes provision for sales to occur under temporary permit while awaiting testing, with tractors sold under temporary permit subject to being repurchased if testing later reveals tractors do not meet claimed performance specifications.

With the repeal of 2-2701, other sections become obsolete and are also outright repealed in section 9. These include:

2-2701.02 -- Requires applicant for sales permit to provide with application information regarding where repair services and replacement parts are available and what limitations on availability might exist. This section further requires manufacturers to notify purchasers when a tractor sold under temporary permit fails to meet performance specifications represented to consumers and to modify tractors or offer other remedy to purchaser.

2-2703.01 – Provides for supplemental sales permit which enables variations of tractor models, or subsequent tractor models, that use identical power and transmission configurations of previously tested models to be sold without having to be tested.

2-2705.01 – Establishes a permit fee of \$50 and creates the Tractor Permit Cash Fund

2-2706 – Current law clarification that failure of any tractor model does not disqualify other tractor models sold by same manufacturer and also allows for retest of tractor models that fail to meet performance representations in initial test.

2-2710 – Imposes requirement to repurchase tractors sold without a permit

2-2711 – Authorizes Dept. of Agriculture to take enforcement actions of permit denial and seeking injunctive relief, and to promulgate rules and regulations.

The remainder of the bill is primarily harmonization in retained sections as follows:

Sec. 1: Amends 2-2701.01 to delete defined terms “department” and “Director” made obsolete by outright repeal of sections assigning duties to the Department of Agriculture.

Sec. 2: Amends 2-2702 which assigns duties to the Board of Regents with respect to provision of tractor testing and for the operation of the tractor test lab. The amendment is harmonizing to correct statutory reference due to outright repeal of certain sections that assigned duties associated with the repealed permit requirement.

Sec. 3: Amends 2-2703 by striking text pertaining to duty of the Board of Tractor Test Engineers to submit tractor test results and a recommendation to the Department of Agriculture as a part of the permitting process. The retained portion retains a requirement that the Board of Tractor Test Engineers prepare a report of test results of any tractor submitted for testing or of test results performed at other OECD testing stations.

Sec 4: Amends 2-2705 by removing reference to the \$50 permit application fee contained in repealed section 2-2705.01 that had been collected by the University at the time an application for testing was made. The remaining provisions retain requirement that applications for testing be accompanied by two fees in the amount prescribed by the Board of Regents – an administrative fee to cover the cost of processing the application and the other to cover the actual costs of performing the tests. The Board of Regents will continue to set a fee for reviewing reports of testing conducted at other OECD testing sites.

Sec. 5: Amends 2-2707 to harmonize requirement of this section to publish report of testing or test reviews performed. Currently, this section refers to compulsory testing performed for purposes of the permit requirement in repealed section 2-2701. The amendment corrects this section to be consistent with the fact that only voluntary testing will be performed and to correct reference to the division of UNL that administratively houses the Tractor Test Station.

Sec. 6: Amends 2-2708 which prohibits sellers from representing test reports as an endorsement by the UNL or the Department of Agriculture of tested tractor models over other tractor models. The amendment strikes text pertaining to authority of Dept. to suspend permit if this section is violated.

Sec. 7: Amends 2-2709 which requires testing to be performed in order submitted, except expedited testing of tractors sold under temporary permit. Harmonizes section to be consistent with repeal of permit requirement and reassigns duty to decide complaints alleging discrimination in testing order from the Dept. of Agriculture to the Vice Chancellor of IANR.

Explanation of amendments, if any:

Senator Bob Kremer, Chairperson